



*Office of Congressman John Lewis*

## **Federal Government Shutdown: Frequently Asked Questions**

During a Federal Government Shutdown, laws will still be enforced, emergencies will be responded to, and our country will maintain its defense, however a shutdown can have an impact on our daily lives. I am urging Congressional leaders to reach a funding agreement. In the meantime, I am providing this information to help you plan. This is the best information available in a fluid situation. Please check back for updates, and remember to go directly to particular federal agencies regarding specific issues.

Federal employees and contractors should begin to review the Office of Personnel Management's (OPM) website and their respective agency guidelines on government shutdown procedures and policies. Federal employees, in particular, should review the website OPM has created as guidance for federal employees in the event of a federal government shutdown, <http://www.opm.gov/furlough2011>.

Depending on the length of a possible furlough, issues like automated bill payments, retirement benefits, health care services, or pre-scheduled travel plans may develop into significant issues. Being proactive and well informed is critical. Meet with your management, understand the guidelines, call your banking institutions, and start preparing ahead of time. Here are some answers to some of the most basic questions.

### **Will unemployment benefits continue during a federal government shutdown?**

- Yes. Unemployment compensation is a federal, State program administered by State agencies. The first 26 weeks of unemployment are State benefits. Last week, the U.S. Department of Labor distributed additional funding to help cover State administrative costs. In most cases, if there is a short-term, federal government shutdown, unemployment benefits should not be interrupted, but individuals should check with their State agencies for information about their specific concerns.

### **I am a federal employee. Am I eligible for unemployment benefits?**

- Yes, furloughed federal employees are eligible for unemployment benefits. Benefits are administered by State agencies. Please remember that unemployment benefits are distributed weekly, but you must have been out of work for a pay period to prove loss of benefits. Also, you cannot receive both unemployment benefits and a federal salary. Please check the State website for eligibility requirements and application procedures.

### **Will federal employees receive pay for furloughed days?**

- Unsure. Federal employees should look to OPM and your agency guidelines for answers to this question. Congressman Lewis is 100% committed to federal employees being paid retroactively after the government resumes operations. This is what happened after the 1995 and 1996 government shutdowns. We keep asking the Republican Leadership to pledge to not further punish federal employees; so far they refuse to commit.

*With any questions, concerns, please do not hesitate to contact my offices at 404-659-0116 or 202-225-3801. I will also continue to post information to my website as it becomes available: [www.johnlewis.house.gov](http://www.johnlewis.house.gov). Updated 5:00 p.m. April 7, 2011.*



**I am a government contractor. What should I expect?**

- If you're a contractor, you should discuss with your management how their government contract is structured. Unfortunately in the 1995 and 1996 shutdowns, contractors were not compensated. Today, there are many more contractors and different types of contract agreements than there were in 1990s. Regardless, you should start researching and planning now.

**Will I receive my Social Security payments?**

- Yes. Social Security checks will continue to be processed and mailed, but new claims may not be processed, and questions and inquiries may not be answered due to furloughed staff.

**Will Veterans' hospitals continue to operate?**

- Yes. VA hospitals will probably remain open, but there may be service or benefit cuts.

**I am a veteran or military retiree. Will I receive my pension?**

- Depending on the length of the federal government shutdown you may or may not receive your pension payment on time. Payments for the month of May are scheduled to be delivered on April 29, 2011. There may also be delays in the processing of any new claims for VA pensions as well as VA staff may be furloughed.

**I am a disabled veteran. Will I receive my benefits on time?**

- Depending on the length of the federal government shutdown you may or may not receive your disability compensation on time. Payments for the month of May are scheduled to be delivered on April 29, 2011. There may also be delays in the processing of any new claims for disability compensation as well as VA staff may be furloughed.

**I receive Veterans Affairs (VA) life insurance payments. Can I expect to receive my VA life insurance payments on time?**

- Maybe, depending on who administers your VA life insurance program. If your VA life insurance program is administered by Prudential (that is, Servicemembers Groups Life Insurance and Veterans Group Life Insurance) then you should not see any delay in the processing of your VA life insurance claim or payments. VA life insurance programs administered by the Department of Veterans Affairs, however, may be impacted depending upon the shutdown plan for that agency. It is possible the Department of Veterans Affairs may process benefit claims related to deaths so as to avoid causing grieving families any further mental anguish.

**I am a veteran student who receives benefits under the GI Bill or VEAP program. Will I continue to receive payments on time?**

- Maybe, depending on the length of the federal government shutdown. Veteran students receiving monthly stipends under the GI bill and who verified their enrollment at the end of March should receive their regular monthly stipend for the month of April as planned. Monthly stipends for the month of May, however, may be delayed depending on the length of the federal government shutdown. Any educational benefits for veterans based



on reimbursement (that is, by bills sent to the Department of Veterans Affairs) may experience delays in processing and payment.

**Do you have to file your taxes on time? Will I still receive my tax refund?**

- Yes, you still have to file your taxes by April 19. Yes, you will still receive your refund, but it may be delayed if you file a traditional paper return. If you file your tax return electronically, you should expect to receive your tax refund with no delay.

**I am a federal government retiree. Will I receive my pension?**

- Most likely, yes. If you already receive pension benefits, you should continue to receive payments. Checks are mailed on the first of every month. Benefit checks for the month of April were mailed on April 1, 2011, and benefit checks for the month of May are currently scheduled for May 2, 2011. Note, however, delays in processing existing payments and any new claims remain a possibility as OPM has not made or issued any definitive staffing decisions regarding essential personnel in the event of a federal government shutdown.

**I'm on Medicare. Will I still be able to see my doctor?**

- Yes, Medicare patients can still see their health care providers and those providers will continue to submit bills and get paid for their services. However, new Medicare beneficiaries might not be accepted into the program. Also, NIH will not be accepting new patients into clinical trials.

**Will my mail delivery continue?**

- Yes. The U.S. Postal Service is self-funded and will continue to deliver mail.

**I am a small business who is currently waiting on an SBA loan from the Small Business Administration. Will I still receive the money from my loan on time?**

- Maybe, but you should contact your lender immediately. If the SBA has already processed your loan guaranty then your lender should be able to disburse your loan funds to you in a timely manner. Businesses are likely to face delays if the SBA has not yet processed their loan guaranty approval. Again, businesses seeking SBA loans should contact their lender immediately as SBA support services are likely to be suspended in the event of a shutdown.

**I am a veteran currently awaiting a VA home loan. Can I expect any delays?**

- Maybe. There may be delays in processing VA home loan applications depending on the shutdown plan for the Department of Veterans Affairs.

**I am in the middle of buying a home; what should I expect?**

- The Department of Housing and Urban Development's Federal Housing Administration (FHA), which insures and guarantees a large number of single-family mortgages and rental and multifamily properties, will stop operations. You should contact your lender immediately.

**What will happen to colleges and universities?**

- Depending on how long the government remains closed, many colleges and universities will probably avoid mass layoffs. Most schools have a mix of federal, state and private funds and will have to be flexible with their revenue to keep the lights on. Unfortunately,

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most colleges and universities are still processing federal aid however, and many will not be able to process awards for incoming students. Please contact your specific college or university for more information.

**I am a United States citizen living abroad. Will the local United States embassy be open?**

- Yes. United States embassies will remain open to some degree, but United States citizens living abroad should expect delays in any application or processing requests as staff furloughs are likely.

**What other things may happen?**

In the case of this shutdown, many more agencies and services – including the U.S. Congress -- would be impacted. The Congressional Research Service prepared a report which I have made available on my website that outlines the causes and effects of a federal government shutdown. For example, during the 1995 and 1996 government shutdown certain services ceased:

- The Centers for Disease Control and Prevention (CDC) ceased disease surveillance;
- 368 National Park Service sites were closed;
- Veterans services were cut; and
- Tens of thousands visas and passports went unprocessed each day.

Due to the unprecedented scope of this potential shutdown, my staff is working diligently to help constituents answer questions about what services would be suspended.